

Amendments shall be effective as of April 1, 2021

The following amendments were introduced to the Additional Copntractual Conditions published on the web page www.procreditbank.ge:

1. Paragraph 3 of the Article 1 shall be deleted and paragraphs 4 and 6 of the Article 1 shall be amended as follows:

“3. (deleted)”

“4. When the Client's personal or any other information (including: the the firm name and/or other personal/commercial data, contact information and data, etc.) registered/maintained with the Bank is changed, the Client shall give a written notice of such changes to the Bank. Before the Client sends a written notice of changes to the Bank, the Bank shall have the right to act based on the information registered/maintained with the Bank and in such case, any act of the Bank shall be relevant and lawful having full legal consequences. “

“6. Any electronic signature affixed by a signatory to a transaction or any document via Internet Banking, agreed e-mail and/or any other reliable means of communication agreed between the parties, has the legal effect equivalent to a handwritten signature on a paper document and the transaction/document is valid from the moment of signing. The signing of a transaction/document in this form cannot be disputed because of the lack of a handwritten signature on a paper document.”

2. The following Article 1¹, shall be added to Additional Contractual Conditions:

“Article 1¹. Definition of terms

The terms outlined in this document have the following meanings:

1. **Financial product** - any product and service offered by the Bank to the Client.
2. **Client** - any person who is a party to the agreement with the Bank containing this document as an integral part thereof. The term ‘client’ in each case, as the context requires, can include both one client or several clients together.
3. **Remote communication means** - a means of communication employed by the bank to offer and deliver a financial product to the client, which does not require the simultaneous physical presence of the bank representative and the client.
4. **Reliable means** - any means of data storage that allows the client to store his/her personal information for a period corresponding to the purposes of this information and to reproduce the stored information unchanged.
5. **Indexed interest rate** - an interest rate that is tied to a public index in a certain way, the change of which results from the change of the public index.
6. Other terms have meanings defined by the legislation of Georgia.”

3. Paragraphs 2 and 3 of The Article 3 shall be amended as follows:

“2. All amendments/additions shall be entered in this document, and the amendments/additions in the rates/tariffs shall be defined in the relevant document of the Bank. Amendments/additions, which constitute part of this document, shall be made available for the clients in the offices and/or on the website of the Bank.

“3. In order for the amendments/additions made in favour of the Bank to become effective, it is sufficient to post the amendments/additions in the offices and/or on the website of the Bank at www.procreditbank.ge. The Bank shall notify the Client of any significant changes in the contractual conditions at least two months before the entry into force of the change/amendment, and of any increase in the price of other financial product – no less than one month before the increase, through the communication channel (in writing, via e-mail, short message service, Internet Banking, telephone call, etc.) agreed with the Client. If the Client does not agree to such amendments/additions, the Client may terminate the Agreement with the Bank and give a written notice to the Bank before such amendments/additions take effect; otherwise, the amendments/additions shall take effect and the Client shall not be authorized to dispute them and/or request their annulment/cancellation on any ground.”

4. Paragraph 7, 8, 11 and 15 of the Article 4 shall be amended and the following paragraphs from 16 to 24 shall be added to the Article 4:

“7. The Bank may transfer and/or assign all or any of its rights arising under the agreement with the Client, arrangements ensuring the repayment of the banking product and joint liability agreements, without the Client’s consent; however, the Bank shall immediately, but no later than 5 (five) business days, inform the Client using any pre-defined means of communication, within the technical arrangements of the Bank. The Client shall not assign all or any of its obligations to any other person without the Bank’s prior written consent.”

“8. Any notice by the parties shall be in writing. Besides, the agreement concluded between the Bank and the Client and/or this document may specify the cases when the communication between the parties can be carried out also through other pre-defined or trusted means of electronic communication. A written notice shall be deemed duly delivered if sent by registered mail or courier service to an addressee to the address specified by the Client, and confirmed by signature of an authorised person. An electronic notice shall be deemed duly delivered if the addressor receives an automatic message created through technical means/software confirming that the notice has been successfully sent.”

“11. The Client undertakes to pay the Bank for all expenses incurred thereby in connection with this Agreement and all collateral/joint liability agreements related hereto, including the expenses of collecting data of the real property, shares and securities owned by the borrower/applicant/principal, pledger, mortgage owner, joint guarantor, joint debtor, and the expenses incurred in establishing the residential and/or business addresses of the borrower/applicant/principal, pledger, mortgage owner, joint guarantor, joint debtor.”

“15. Any change in the agreement concluded in favour of the Client does not require the Client’s consent and/or prior notice sent by the Bank. Also, the Bank shall be authorized to unilaterally change and/or amend the agreement with the Client if the Client does not fulfil the contractual obligations.”

“16. The Borrower/Co-Borrower gives his consent to the Bank to provide the joint guarantor, as well as the mortgage owner, with the title of the Loan Agreement with the Borrower, and upon request, a copy of the Agreement in the same form as concluded with the Borrower.”

“17. By signing the agreement, the Client confirms that the Bank has duly disclosed all financial expenses related to the agreement, also, provided all information on potential legal risks related to non-repayment of credit such as property seizure, account seizure, etc.”

“18. All current agreements between the Bank and the Client shall have equal legal force.”

“19. The agreement with the Client shall be concluded for the term specified in the agreement. Unless such term is specified, the agreement shall be considered perpetual.”

“20. Agreements may be concluded in Georgian or in English, respectively, the terms of the agreement shall be provided, introduced and communicated to the Client in the language of the agreement.”

“21. Agreements with Customers shall be concluded in Georgian or in English. Accordingly, the terms and conditions of the agreement are provided, looked through and communicated with the customer in the language in which the agreement is concluded. The texts of the Georgian and English versions of the agreement are identical and have equal legal force; however, in case of discrepancy between them, the Georgian version shall be given priority.”

“22. Upon signing an agreement remotely, including through Internet Banking, the Client shall not be charged any additional fees for using the remote channel.”

“23. The Client has no right to unilaterally terminate the agreement concluded remotely unless otherwise provided by the agreement itself.”

“24. During the validity of the remotely concluded agreement, the change of remote communication means is possible only with the prior written consent of the Bank and in case it does not contradict the agreement or the nature of the product.”

5. Article 6 shall be amended as follows:

“Article 6. Changes in the interest rate

1. The Client agrees and grants to the Bank the irrevocable right, without additional consent and written changes/amendments to the agreement, to change/replace unilaterally the index for an indexed loan as well as for a loan whose interest rate is tied to any kind of public index (refinancing rate, LIBOR, EURIBOR), provided that the relevant authorized body/institution revokes and/or replaces the index for a reason independent from the Bank (e.g.: revocation or replacement of LIBOR, EURIBOR, refinancing rate, etc).
2. In the case specified in paragraph 1 of this Article, the Client shall receive a relevant notice from the Bank within the time limit established by the legislation of Georgia and shall also be given a reasonable time limit (but no more than 2 (two) months) for making a decision.
3. The new or replaced index offered by the Bank shall enter into force upon the expiration of the period specified in the notice.
4. The Bank shall be authorised on the floating rate loan to unilaterally, without the Client's additional consent, on multiple occasions, change the agreement interest rate on any banking product, at any stage of its services, provided that the general economic environment in the country has significantly changed, and/or the Client fails to provide the Bank with its financial data or any changes in previously provided documents, within 10 working days of the request, as well as legislation has been enacted with regard to changes in the currency and credit system of Georgia.
5. If the Client does not agree to the changed interest rate, he/she/it shall notify the Bank in writing before the changes take effect; otherwise, the Bank's proposal for the changed interest rate shall be deemed as accepted. The new interest rate shall accrue on the banking product from the first day after the changes take effect.
6. If the Client does not agree to the changed interest rate, he/she/it shall be obliged to refund/repay the full amount of the banking product and the accrued interest to the Bank before the changes take effect.”

6. Article 7 shall be deleted:

“Article 7. (Deleted)”

7. 1¹ paragraph shall be added to Article 8:

„1¹. If the Bank so requests, to get a financial product, the Borrower is required to submit an insurance policy for the mortgaged and pledged property and/or the Borrower's credit life insurance policy (against the risk of failure to repay the credit/loan because of death of the Borrower).“

8. Sub paragraph 1.4. to Article 10 shall be amended as follows:

“1.4. client is obliged to give bank representatives immediate access to inspect the Client's business site.”

9. Paragraph 1, 2, 4 and 5 of the Article 11 shall be amended, paragraph 3 of this Article shall be deleted. Paragraphs 6, 7, 8 and 9 shall be added to the Article 11:

“1. The Borrower shall be authorized to fully or partially repay the loan before the due date. If loan is fully or partially repaid before the due date the Borrower shall pay the Bank the following amounts in compensation for lost profits, taking into consideration the term of the loan agreement remained by the time of payment of the early repayment fee:

1.1 During the period of accrual of floating interest rate, the prepayment fee shall be calculated as follows:

- a) if 6-24 months remain before the termination of the loan agreement, no more than 0,5% of interest on the loan principal remaining at the time of prepayment;

b) if more than 24 months remain before the termination of the loan agreement, no more than 1% of interest on the loan principal remaining at the time of prepayment.

1.2 During the period of accrual of flat interest rate, the prepayment fee shall be calculated as follows:

- a) if 6-12 months remain before the termination of the loan agreement, no more than 0,5% of interest on the loan principal remaining at the time of prepayment;
- b) if 12-24 months remain before the termination of the loan agreement, no more than 1% of interest on the loan principal remaining at the time of prepayment;
- c) if more than 24 months remain before the termination of the loan agreement, no more than 2% of interest on the loan principal remaining at the time of prepayment;

1.3 During the period of accrual of indexed interest rate, the prepayment fee shall be calculated as follows:

- a) if more than 6 months remain before the termination of the loan agreement, no more than 0,5% of interest on the loan principal remaining at the time of prepayment;"

"2. If the loan is fully or partially repaid before the due date, the Borrower shall be exempt from the obligation to pay the prepayment fee, if:

- a) less than 6 months remain before the termination of the loan agreement;
- b) the debt is refinanced, in full or in part, with a new loan issued by the same Bank;
- c) the loan is repaid at the request of the Bank;
- d) the loan is prepaid or refinanced because of the Client's and/or guarantor's/joint guarantor's and/or mortgage owner's (if any) refusal to accept changes to the loan agreement made by the Bank.
(**Exception:** The requirement referred to in subparagraph (d) does not apply if the existing index is revoked or the index is replaced for a reason independent of the Bank).
- (e) the loan is repaid before the due date under an insurance contract concluded for the security of the loan repayment;
- (f) the overdraft is prepaid."

"3. (Deleted)"

„4. If a private client repays a maximum of three instalments before the due date under the prepayment schedule provided by the agreement, the Bank may decide not to charge the early repayment fee. This condition shall apply only once a month.“

"5. If the loan amount is more than GEL 2 000 000 (two million) or the equivalent in any other currency, the Borrower shall be obliged to send at least a 14-calendar-day prior notice of loan prepayment to the Bank through the communication channel agreed with the Bank. In this case, the Bank shall be authorized to accrue interest on the loan according to the days actually used by the Borrower, but no longer than the above period."

"6 Depositing or having in advance sufficient funds on the relevant bank account to fully or partially repay the loan does not mean that the loan will automatically be repaid fully or partially. This requires the Client or his/her authorized representative Apply to the Bank, in writing or via Internet Banking (TAN confirmation in Internet Banking is mandatory), requesting to repay the loan in full in advance."

"7. If there is a grace period on the loan, in case of partial or full repayment of such a loan, first the interest accrued/penalty/any expenses (if any) incurred during the grace period shall be repaid in full and then the rest of the debt shall be repaid from the remaining amount."

"8. If only part of the loan is prepaid with the repayment of at least 20% but no less than GEL 500 of the loan principal, the Client shall be authorized to request on own initiative in case of paying at the Bank's service offices but after making the payment in case of paying through remote communication means, at least the following alternatives to the new, modified schedule:

- a) redistribute the remaining loan principal by reducing the monthly payment for the same period;
- b) reduce the remaining period but leave the monthly payment unchanged."

“9. If the Client so requests and there are sufficient funds on the account, the Bank shall repay the loan (in full/in part) immediately (except for the cases under paragraph 5 of this article); however, if this is not possible and full and/or partial prepayment of the loan requires an additional period, the Bank shall ensure that the loan is repaid within that period.”

10. Article 12 shall be amended as follows:

“Article 12. Debt repayment

1. The banking product and the interest accrued thereon may be repaid by transferring funds to the Client's loan account.
2. Payment shall be made in the following order of priority: (1) the commission fees; (2) the late payment fee; (3) the interests accrued; and (4) the loan principal. This order may be changed at the discretion of the Bank.
3. In case of more than one liability to be paid at the same time, first the debt(s) that has(have) already been due or are overdue shall be paid in full from the funds deposited by the Client. The remaining amount shall be used to make other payments that are due on the day of depositing funds. And if the maturity of several liabilities coincides, the Bank shall determine the order of repayment.
4. If there is more than one liability to be paid at the same time and the funds deposited by the Client are not sufficient to pay all the liabilities, the Client shall be authorized to determine the order of his liability repayments to the Bank. The order defined in this way shall be one-time and shall apply only to payments, prior to which the Client has submitted an application determining the payment priority order.
5. Payment priorities shall be determined in a written application of the relevant type and content submitted to the Bank (branch and/or service point), directly on the day of payment, before the end of the Bank's business hours.
6. In the application for determination of payment priorities, the Client shall clearly and unambiguously indicate the priority order of liability repayments (the number of the agreement to be repaid according to the priority order), which agreement is to be repaid first and which after. The standard application form can also be obtained at the Bank branches.
7. The Bank shall perform the task associated with the repayment priorities defined by the Client if there are sufficient funds on the relevant loan account in the relevant currency to cover the overdue/due debt in priority order.
8. Debt shall be deemed to be settled on time if the full amount due is available on the bank account by the maturity date (until 24:00) specified in the repayment schedule (not including deductions and withholdings, commissions, levies, instalments, or other fees). If the deductions and withholdings still need to be applied, they shall be charged at the expense of the Client. Payment shall be made on the second business day if the given day falls on any banking/national holiday or weekend. In addition, interest shall accrue on the banking product and paid before the following business day.
9. The liability shall be repaid primarily from the currency account in which the payments are denominated. This can be changed if the Client gives a different order to the Bank immediately before repayment. Such an order shall be one-time given by the Client in writing and delivered to the Bank (branch, service point) on the day of payment, before the end of business hours.
10. The Client shall authorize the Bank to repay the Client's debt from the funds available on his/her savings account, deposit account (except for term deposit, if the loan is not secured by term deposit) and/or any other type of account at the time of due payment as well as overdue payment, including from overdraft funds authorized on the Client's bank account(s) (non-withdrawn balance), without acceptance (without the additional consent of the Client). Besides, if the amount to be deducted without acceptance differs from the liability currency, the Bank shall be authorized to convert the amount from one currency unit to another at the expense of the Client, according to the commercial rate of the Bank.”

11. Paragraphs 4 and 5 to the Article 13 shall be amended as follows:

“4. The Client expressly represents and confirms that he/she is familiar with the agreements (mortgage, pledge, etc.) concluded to secure his/her liabilities and the guarantor's joint liability agreements, and unconditionally agrees with the conditions thereof.”

“5. The Client’s obligations may also be secured by mortgage, pledge, the guarantor’s joint liability and other agreements to be concluded in the future to secure the obligations arising under this Agreement.”

12. Paragraph 1 and sub paragraph 1.4. of the Article 14 shall be amended as follows. In addition, paragraphs 2, 3, 4, 5 and 6 shall be added to the Article 14:

“1. In addition to the grounds defined in the agreement with the Client, the Bank may also unilaterally terminate the agreements with the Client before the date of expiry, declare all or particular banking products, accrued interests and penalties owing hereunder immediately due and payable, and claim damages for full or partial default on obligations under this Agreement; whereas the Client shall meet all these requirements, provided that:”

“1.4. during the agreement concluded with the Client, the court issues a verdict/decision against the Client, which may endanger solvency/cause insolvency of the Client, jeopardize the reputation of the Client, or be associated with the collateral for banking products, or the Client is declared to be insolvent, liquidated bankrupt;”

“2. All disputes related to the agreement concluded between the Bank and the Client and/or this document shall be considered by the courts of Georgia of general jurisdiction, under the current legislation, according to the location of the Bank. The decision of the court of the first instance on disputes must be immediately enforced under Article 268 1¹ of the Civil Procedure Code of Georgia.”

“3. The agreement may be terminated on the Client’s initiative by full repayment of the debt in advance, in which case the provisions related to the full debt repayment established by the agreement with the Client and this document shall apply.”

“4. If the Client does not have any debt to the Bank but there is an agreement between them with the term not expired yet, such an agreement can be terminated only in writing at the initiative of the Client, by submitting/ mailing a written application to the Bank.”

“5. In the case outlined in paragraph 4 of this article, the agreement shall be considered terminated within 5 (five) business days after the Chancellery of the Bank receives the written application at the Bank.”

“6. The Borrower shall pay the termination fee.”

13. Article 15¹ shall be amended as follows:

„Article 15¹. Insurance

1. The Borrower undertakes to submit, within one month upon the Bank’s request, an insurance policy for the mortgaged and pledged property and/or the Borrower’s credit life insurance policy (against the failure to repay the credit/loan because of death of the Borrower).
2. Insurance shall be provided with the terms and conditions acceptable to the Bank. If the Client does not want to have insurance of the insurance company(ies) offered by the Bank, he/she shall be authorized to submit the policy from another insurer. An insurance policy from another insurer shall meet the minimum requirements set by the Bank. At the request of the Client, the Bank shall communicate the minimum insurance requirements to the Client.
3. The Bank shall be named as beneficiary in the insurance policy. The policy may be submitted for a period of one year but it is mandatory to be renewed three days before the expiry of the term, in accordance with the remaining term of the agreement(s) signed with the Bank or the term agreed with the Bank;
4. The Client authorizes the Bank to process banking and personal information about the Client for insurance purposes, inter alia, to transfer that information to the insurance company, at appropriate intervals and in the required volume. No additional consent or permission of the Client is required to exercise the rights outlined in this paragraph.
5. The Client shall pay the insurance premium /instalment/ensure that the relevant balance is available on the account for the date of payment of the insurance premium instalment.

6. The Client shall be obliged to observe the conditions of the insurance agreement, also immediately notify the Bank and the insurance company of the occurrence of any insured accident, and perform any action required by the insurance company to compensate for the insured accident.“

14. Article 15² shall be added to Additional Contractual Conditions:

„Article 15². Notification

1. The Bank shall send any notice to the Client and inform the Client in writing or by e-mail, Internet Banking, SMS or telephone call.
2. In each particular case, the Bank shall solely select the particular means for sending a notice.
3. For the purposes of this article, the Bank shall be authorized to use the contact details entered by the Client in the agreement between the Bank and the Client, also additionally conclude any other agreements specifying the Client's contact data and/or use the Client's publicly available contact data (e.g. the data recorded with the Public Registry, the Commercial Registry and other public space), to which the Client consents in advance.
4. The Borrower, also the guarantor, the mortgage owner and/or any other person who has a contractual relationship with the Bank, to which this document applies, shall immediately notify the Bank in writing of any change of his/her address and/or other contact information (mobile phone number, e-mail, etc.). This obligation also applies in full to the new mortgage owner if the owner changes.
5. In case of any change/price increase due to the circumstances predetermined in the loan agreement and caused by the Client, the Bank shall notify the Client within 5 (five) business days after the change according to the rules outlined in this article.
6. Any notification and/or document shall be sent to the Client to the contact details (address, telephone number, e-mail, etc.) last known to the Bank and the Bank shall not be responsible for not giving a notification if this is the fault of the addressee and/or the addressee has changed the contact information and has not informed the Bank of it.“

15. Paragraph 1 of the Article 17 shall be deleted and paragraph 3 shall be amended as follows:

“1. (deleted)”

“3. The Client shall be obliged to transfer and/or maintain 100% of his or her banking turnover with JSC ProCredit Bank. Should the Client violate the abovementioned obligation and/or any other contractual obligation, the Bank shall be authorized to, unilaterally and without notice, reduce the overdraft amount (limit) at its discretion. The Bank is also authorised to require the Client to present additional collateral; in the event of the Client's failure to comply with this paragraph (within the established time), the Bank may restrict the Client's right to use the limit (suspend the limit), i.e. limit the withdrawal of funds in excess of the unused/existing balance on the Client's accounts (if the client uses the full limit, the repaid portion of the limit will not be renewed) until the above-mentioned obligations are performed fully and properly.”

16. Paragraph 1 and 4 of the Article 18 shall be amended and paragraph 6 shall be deleted:

“1. Pursuant to the credit line agreement made by and between the Bank and the borrower, during the period specified in the agreement, the Borrower may repeatedly apply to the Bank for drawdown of funds from the credit line, provided that the total amount drawn on the facility, at the time of disbursing a new portion, does not exceed the maximum limit of the credit line specified in the agreement.”

“4. The Bank shall be authorized to partially or completely refuse to issue a loan if the borrower does not meet the preconditions as stipulated in this document and/or the agreement concluded for the security of the borrower's obligations,

as well as the conditions stipulated in the guarantor's joint liability agreement; the Bank may also refuse to issue the loan if it considers the likelihood of repayment of the loan and its proper utilisation (i.e. for the stated purpose) to be doubtful."

"6. (Deleted)"

17. Paragraph 2 of the Article 19 shall be amended and paragraph 3 shall be deleted:

"2. In order to settle the financial liabilities owed to the Bank, the borrower/third party shall either transfer the due amount to the settlement account or pay (deposit) it directly at the Bank's cash desk according to the terms and conditions outlined in the agreement and this document."

"3. (Deleted). "

18. Paragraph 5 of the Article 20¹ shall be deleted:

"5. (deleted)."

19. Paragraphs 7, 9 and 17 of the Article 26 shall be amended, paragraph 16 shall be deleted and paragraphs 24, 25, 26, 27 and 28 shall be added:

"7. **Grace period** – period during which interest is not accrued on the used sum, which is a maximum of thirty six (36) calendar days. If the Client makes the full payment during the maturity period, no interest will be accrued on the amount used during the grace period. The grace period of each subsequent month is valid if the Client has fully repaid the sum owed no later than 24:00 pm on the last day of the previous month's repayment period.

"9. **Overspending** – Based on the indirect consent of the Client, the amount of overdraft authorized automatically, which exceeds the amount in the Client's card account and/or the amount of the overdraft or credit limit expressly agreed."

"16. (Deleted)

"17. In the event of early repayment of any loan/credit by the Client in full or in part (due to refinancing with a loan from another Bank or another person's loan), the Client must first repay the full amount of the card limit allowed under contract, accrued interest and other payments. Thereafter the Client may request permission from the Bank to repay other loans/credits in full or in part before the maturity date."

"24. Overspending shall be allowed on the card. The Bank shall inform the Client on a one-off basis, immediately, within the technical arrangements of the Bank, but no later than 5 (five) business days after the overspending takes place, through any means of communication agreed between the Bank and the Client - in writing or via e-mail, Internet Banking, SMS, phone call. "

"25. In each case, the Bank shall choose a particular means of communication unilaterally to contact a specific client."

"26. By notifying each fact of overspending, the Bank shall provide the Client with information about the fact of overspending, the total amount of overspending, the possible penalties or other costs that may be charged to the Client."

"27. The Client shall immediately notify the Bank of any change in contact information. The Bank shall not be responsible for the breach of the obligation under this article if it is impossible to contact and/or provide information to the Client through the fault of the Client, and/or if the Client has changed the contact information and has not notified the Bank of it. "

"28. The Client shall immediately repay the amount spent through the card transaction. Otherwise, the Bank reserves the right to accrue interest of 36% per annum on the amount spent and a penalty of 0.5% of the amount spent per each day in arrears. The penalty accrual shall continue until the full debt repayment, but no more than 90 calendar days."

20. Sub paragraph 1.4. and paragraph 3 of the Article 28 shall be amended and paragraphs 11, 12 and 13 shall be added:

"1.4. He/she will not encumber the mortgaged property without the prior written consent of the Bank."

“3. If the property is destroyed, damaged or the right to the property is cancelled, the owner shall be obliged to restore the property or exchange it for another property equal in value with the consent of the Bank within an acceptable period of time; moreover, if the value of the property diminishes or there is a risk that it will diminish, the Bank may demand and the owner and/or the borrower shall mortgage or pledge additional property in favour of the Bank, at the Bank's option and within the time set by the Bank in accordance with the terms and conditions of the mortgage agreement, or shall provide any other collateral to secure the obligations.”

“11. The parties agree that the Bank shall inform and send a notice to the property owner according to Article 15², within the time limit established by law.”

“12. In addition to the contact number outlined in the mortgage agreement, the parties agree that an additional and/or other agreement may be entered into where the owner will record his additional contact information. The Bank shall be authorized to use the specified contact data to provide any information to the owner.”

“13. The Bank shall choose a particular means of communication in each particular case independently. However, the Bank shall not be liable for non-delivery of information if the information is not provided because the addressee has changed his contact information and/or the mortgage owner has changed and the Client has failed to notify the Bank of it.”

21. Paragraphs 1, 2, 5 and 6 of the Article 29 shall be amended and paragraphs 24, 25, 26 and 27 shall be added:

“1. By signing this agreement, the pledger confirms that:

- 1.1. The pledging of the property does not contradict the law, other legislative acts and does not violate the rights and interests of legally protected people.
- 1.2. The property is free and clear from all liens or encumbrances in favour of third parties;
- 1.3. The property does not have any feature that will result in loss or damage after its exposure; the property is suitable for intended operation;
- 1.4. The pledge extends to the pledged item and to part of it, to the set of items or parts of them, as well as to any component movable item and intangible property;
- 1.5. The right of pledge also extends to the yield of the object of pledge.”

“2. The collateral can be changed only with the Bank’s consent. Besides, the Bank shall not be limited in its decision-making by the fact that the liability may be secured by other property.”

“5. If the property is lost, damaged or the right to the property is cancelled, the owner shall be obliged to restore the property or exchange it for another property equal in value with the consent of the Bank within an acceptable period of time; moreover, if the value of the property diminishes or there is a risk that it will diminish, the Bank may demand and the pledger shall encumber additional property in favour of the Bank, at the Bank's option and within the time prescribed by the Bank, or shall provide, in agreement with the Bank, any other collateral to secure the claim covered by the agreement.

6. Security interest in the property shall become effective on the day the collateral agreement is signed, and where the registration of the agreement is obligatory for the origin of the pledge, from the moment of its registration as provided by the legislation of Georgia.”

“24. The pledger has no right to process the pledged item or merge it with other movable property. This can be done only with the prior written consent of the Bank. Also, in case of a merger, the Bank's right of pledge shall not be terminated/revoked if the object of the pledge is merged in a way that it will be impossible to restore it to its original condition.”

“25. The parties agree that the Bank shall inform the pledger and send him a notice according to Article 15², within the period prescribed by law.”

“26. In addition to the contact number outlined in the pledge agreement, the parties agree that an additional and/or other agreement may be entered into where the pledger will record his additional contact information. The Bank shall be authorized to use the specified contact data to provide any information to the pledger.”

“27. The Bank shall choose a particular means of communication in each particular case independently. However, the Bank shall not be liable for non-delivery of information if the information is not provided because the addressee has changed his contact information and/or the collateral owner has changed and the Client has failed to notify the Bank of it.”

22. Article 30 shall be amended as follows:

“Article 30. Assignment (cession) agreement

1. The assignor shall furnish to the Bank all documents in its possession concerning the assigned claim, its amount, etc.
2. The assignor understands and agrees that the Bank has the right to submit this assignment agreement directly to any third party and to demand that the third party perform unconditionally any of its obligations to the assignor in favour of the Bank within the term prescribed.
3. The Bank may demand that third party obligations to the assignor be satisfied in its (Bank's) favour to the extent of the assigned claim.
4. The assignment agreement shall be valid until the full and proper performance of obligations under the secured loan agreements.
5. The parties agree that the Bank shall inform the assignor and send him a notice according to Article 15², within the period prescribed by law.
6. In addition to the contact number outlined in the assignment agreement, the parties agree that an additional and/or other agreement may be entered into where the assignor will record his additional contact information. The Bank shall be authorized to use the specified contact data to provide any information to the assignor.
7. The Bank shall choose a particular means of communication in each particular case independently. However, the Bank shall not be liable for non-delivery of information if the information is not provided because the addressee has changed his contact information and the assignor has failed to notify the Bank of it.”

23. Paragraph 4 of the Article 31 shall be amended and paragraphs 6, 7 and 8 shall be added:

“4. If the Principal Debtor/Borrower falls into arrears, the Bank shall inform the Solidary Guarantor through the agreed communication channel (in writing or by SMS, Internet Banking, telephone call, etc.).”

“6. The parties agree that the Bank shall inform the joint guarantor and send him a notice according to Article 15², within the period prescribed by law.”

“7. In addition to the contact number outlined in the guarantor's statement, the parties agree that an additional and/or other agreement may be entered into where the joint guarantor will record his additional contact information. The Bank shall be authorized to use the specified contact data to provide any information to the joint guarantor.”

“8. The Bank shall choose a particular means of communication in each particular case independently. However, the Bank shall not be liable for non-delivery of information if the information is not provided because the addressee has changed his contact information and the joint guarantor has failed to notify the Bank of it.”

